

City of Indianapolis  
200 E. Washington Street, Suite 2501  
Indianapolis, Indiana 46204

May 19, 2016

Dr. Lewis D. Ferebee  
Superintendent  
Indianapolis Public Schools  
120 E. Walnut Street  
Indianapolis, IN 46204

**Re: Service Center for the Indianapolis Public Schools located at 901  
Carrollton/850 Massachusetts Avenue, Indianapolis, Indiana (the "IPS  
Property")**

---

Dear Dr. Ferebee:

The City of Indianapolis (the "City") desires to reach an agreement with Indianapolis Public Schools ("IPS") concerning the IPS Property. The City and IPS hereby agree to the following terms:

- The Board of School Commissioners of the City of Indianapolis (the "Board") will: (i) receive the bid recommendation for redevelopment of the IPS Property from the IPS committee that has assisted with IPS' request for bids and (ii) approve the sale of the IPS Property to one of the six bidders that has submitted a proposal for the IPS Property (the "Developer").
- Upon Board approval of Developer's proposal to develop the IPS Property and upon entering into a purchase agreement with the Developer (collectively, the "Award Date"): (i) the Board will require, in the purchase agreement, that the Developer enter into a project agreement with the City within three hundred and sixty-five (365) calendar days from the Award Date (collectively, the "Transfer Date") and (ii) the City, within sixty (60) days of the Award Date and subsequent to IPS and the Developer entering into a purchase agreement for the IPS Property, will commence discussions with the Developer concerning the terms of a project agreement.

**Office of the Mayor**  
2501 City County Building  
200 E. Washington Street  
Indianapolis, IN 46204  
[www.indy.gov](http://www.indy.gov)  
US.106297261.04  
US.106332062.03


- If the Developer does not close on the purchase of the IPS Property by the Transfer Date regardless of the cause, including Developer's failure to enter into a project agreement with the City, the City agrees to purchase the IPS Property from IPS at the purchase price of the IPS Property as submitted in the bid selected by the Board, but in no event in an amount to exceed Thirteen Million and No/100 Dollars (\$13,000,00.00) (collectively, the "Purchase Price"). Notwithstanding the foregoing, IPS and the Developer selected by the Board entering into a purchase agreement for the IPS Property shall be a condition precedent to a purchase by the City of the IPS Property. The documentation related to the transfer of the IPS Property to the City shall be as set forth in Exhibit A to this Agreement. If the City is obligated to purchase the IPS Property, the closing shall occur no later than sixty (60) days after the Transfer Date.
- The City has no desire to influence or be a part of the existing bidding process undertaken by IPS for the development of the IPS Property. Consistent with that intent, the City's environmental liability related to its purchase of the IPS Property shall be the same as the Developer's liability would have been if the Developer had closed on the transaction as provided in its fully executed purchase agreement with IPS; the environmental condition of the IPS Property shall not be a condition to the City's obligation to acquire the same.
- The City shall have a right of entry to the IPS Property for purposes of conducting a Phase I Environmental Site Assessment to prepare for its potential purchase of the IPS Property. Except as permitted by IPS in writing, which shall not be unreasonably withheld, the City shall not be permitted to undertake on-site invasive testing and similar work until the purchase agreement with the Developer is terminated. The City shall cause its consultant to include IPS as an additional insured under its commercial liability coverage prior to any access. The City's intent is undertake all appropriate inquiries required for it to be classified as a prospective purchaser under applicable federal law. The City agrees to provide IPS advance notice and a reasonable opportunity to comment on any submissions to the Environmental Protection Agency (EPA) or Indiana Department of Environmental Management (IDEM) and IPS agrees to cooperate with such agencies prior to the date of conveyance of the IPS Property to the City, although such cooperation shall not include any obligations by IPS inconsistent with the expressed environmental terms of the fully executed purchase agreement between IPS and the Developer or that arise solely as a result of the City seeking prospective purchaser status. If the City purchases the IPS Property, the City may elect to pursue cost recovery efforts for environmental remediation from prior owners of the IPS Property other than IPS except to the extent such actions are consistent with the expressed environmental terms of the fully executed purchase agreement between IPS and the Developer.
- The City will pay to IPS the Purchase Price in installments, but the Purchase Price shall be paid in full no later than (6) six months after the Transfer Date.

This Agreement and its terms are subject to the parties hereto obtaining all required approvals to consummate the actions set forth in this Agreement, including obtaining substantially the same resolutions from the Board and from the City-County Council of

Indianapolis-Marion County, Indiana, no later than sixty (60) days after the date of this Agreement. If such approvals are not obtained in said 60-day period, either party may terminate this Agreement by providing notice to the other party. This Agreement shall be governed by the laws of the State of Indiana. We look forward to continued work between IPS and the City on this matter.

Sincerely,

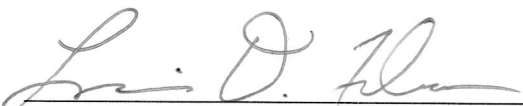
CITY OF INDIANAPOLIS

By:   
THOMAS COOK - CHIEF OF STAFF

As to adequacy of legal form:

  
Andrew Mallon, Corporation Counsel

The party set forth below agrees to the terms of this Agreement executes it as of the date mentioned above.

  
Dr. Lewis D. Ferebee  
Superintendent of Indianapolis Public Schools

## EXHIBIT A

At the closing, IPS shall execute and/or deliver to the City the following instruments, documents and other considerations:

- (a) Deed: A limited warranty deed conveying the fee simple estate in the IPS Property to the City, subject to real estate taxes, not yet due and payable, rights of way and all matters of record.
- (b) Vendor's Affidavit: A vendor's affidavit in the form required by the title company to remove the non-survey, standard exceptions.
- (c) Nonforeign Affidavit: An affidavit by IPS stating, under penalty of perjury, IPS' United States taxpayer identification number and that IPS is not a "foreign person," as defined in Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.
- (d) Disclosure Form: A disclosure of sales information form as required by the State of Indiana.

At the closing: (i) the City shall deliver to IPS the Purchase Price and (ii) IPS and the City shall provide to the other party all documentation as may be necessary or required to consummate the transaction.